

By:

MUTCHER

H. J. R. No. 5

A JOINT RESOLUTION

Proposing an amendment to Section 49-b, Article III of the

Constitution of Texas so as to authorize an increase in the total amount of bonds or obligations that may be issued by the Veterans' Land Board to Four Hundred Million Dollars (\$400,000,000.00); providing for the issuance of said bonds or obligations and the conditions relating thereto and the use of the Veterans' Land Fund; and providing for an election and the issuance of a proclamation therefor. _____

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Section 49-b, Article III of the Constitution of Texas, be amended so that the same will hereafter read as follows: _____

"Section 49-b. By virtue of prior Amendments to this Constitution, there has been created a governmental agency of the State of Texas performing governmental duties which has been designated the Veterans' Land Board. Said Board shall continue to function for the purposes specified in all of the prior Constitutional Amendments except as modified herein. Said Board shall be composed of the Commissioner of the General Land Board and two (2) citizens of the State of Texas, one (1) of whom shall be well versed in veterans' affairs and one (1) of whom shall be well versed in finances. One (1) such citizen member shall, with the advice and consent of the Senate, be appointed biennially by the Governor to serve for a term of four (4) years; but the members serving on said Board on the date of adoption hereof shall complete the terms to which they were appointed. In the event of the resignation or death of any such citizen member, the Governor shall _____

appoint a replacement to serve for the unexpired portion of the term to which the deceased or resigning member had been appointed. The compensation for said citizen members shall be as is now or may hereafter be fixed by the Legislature; and each shall make bond in such amount as is now or may hereafter be prescribed by the Legislature. _____

"The Commissioner of the General Land Office shall act as Chairman of said Board and shall be the administrator of the Veterans' Land Program under such terms and restrictions as are now or may hereafter be provided by law. In the absence or illness of said Commissioner, the Chief Clerk of the General Land Office shall be the Acting Chairman of said Board with the same duties and powers that said Commissioner would have if present. _____

"The Veterans' Land Board may provide for, issue and sell not to exceed Four Hundred Million Dollars (\$400,000,000.00) in bonds or obligations of the State of Texas for the purpose of creating a fund to be known as the Veterans' Land Fund, Two Hundred Million Dollars (\$200,000,000.00) of which have heretofore been issued and sold. Such bonds or obligations shall be sold for not less than par value and accrued interest; shall be issued in such forms, denominations, and upon such terms as are now or may hereafter be provided by law; shall be issued and sold at such times, at such places, and in such installments as may be determined by said Board; and shall bear a rate or rates of interest as may be fixed by said Board but the weighted average annual interest rate, as that phrase is commonly and ordinarily used and understood in the municipal bond market, of all the bonds issued and sold in any installment of any bonds__

may not exceed four and one-half percent (4½%). All bonds or obligations issued and sold hereunder shall, after execution by the Board, approval by the Attorney General of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchaser or purchasers, be incontestable and 62 shall constitute general obligations of the State of Texas under 85 the Constitution of Texas; and all bonds heretofore issued and sold by said Board are hereby in all respects validated and declared to be general obligations of the State of Texas. In 2 order to prevent default in the payment of principal or interest on any such bonds, the Legislature shall appropriate a sufficient amount to pay the same. _____

"In the sale of any such bonds or obligations, a preferential right of purchase shall be given to the administrators of the various Teacher Retirement Funds, the Permanent University Funds, and the Permanent School Funds. _____

"Said Veterans' Land Fund shall consist of any lands heretofore or hereafter purchased by said Board, until the sale price therefor, together with any interest and penalties due, have been received by said Board (although nothing herein shall be construed to prevent said Board from accepting full payment for a portion of any tract), and of the moneys attributable to any bonds heretofore or hereafter issued and sold by said Board which moneys so attributable shall include but shall not be limited to the proceeds from the issuance and sale of such bonds; the moneys received from the sale or resale of any lands, or rights therein, purchased with such proceeds; the moneys received from the sale or resale of any__

lands, or rights therein, purchased with other moneys attributable to such bonds; the interest and penalties received from the sale or resale of such lands, or rights therein; the bonuses, income, rents, royalties, and any other pecuniary benefit received by said Board from any such lands; sums received by way of indemnity or forfeiture for the failure of any bidder for the purchase of any such bonds to comply with his bid and accept and pay for such bonds or for the failure of any bidder for the purchase of any lands comprising a part of said Fund to comply with his bid and accept and pay for any such lands; and interest received from investments of any such moneys. The principal and interest on the bonds heretofore and hereafter issued by said Board shall be paid out of the moneys of said Fund in conformance with the Constitutional provisions authorizing such bonds; but the moneys of said Fund which are not immediately committed to the payment of principal and interest on such bonds, the purchase of lands as herein provided, or the payment of expenses as herein provided may be invested in bonds or obligations of the United States until such funds are needed for such purposes. _____

"All moneys comprising a part of said Fund and not expended for the purposes herein provided shall be a part of said Fund until there are sufficient moneys therein to retire fully all of the bonds heretofore or hereafter issued and sold by said Board, at which time all such moneys remaining in said Fund, except such portion thereof as may be necessary to retire all such bonds which portion shall be set aside and retained in said Fund for the purpose of retiring all such bonds, shall be deposited to the credit of the General Revenue Fund to be appropriated to such purposes as may be prescribed by____

law. All moneys becoming a part of said Fund thereafter shall likewise be deposited to the credit of the General Revenue Fund. __

"When a Division of said Fund (each Division consisting of the moneys attributable to the bonds issued and sold pursuant to a single Constitutional authorization and the lands purchased therewith) contains sufficient moneys to retire all of the bonds secured by such Division, the moneys thereof, except such portion as may be needed to retire all of the bonds secured by such Division which portion shall be set aside and remain a part of such Division for the purpose of retiring all such bonds, may be used for the purpose of paying the principal and the interest thereon, together with the expenses herein authorized, of any other bonds heretofore or hereafter issued and sold by said Board. Such use shall be a matter for the discretion and direction of said Board; but there may be no such use of any such moneys contrary to the rights of any holder of any of the bonds issued and sold by said Board or violative of any contract to which said Board is a party. 68

3 "The Veterans' Land Fund shall be used by said Board for the purpose of purchasing lands situated in the State of Texas owned by the United States or any governmental agency thereof, owned by the Texas Prison System or any other governmental agency of the State of Texas, or owned by any person, firm, or corporation. All lands thus purchased shall be acquired at the lowest price obtainable, to be paid for in cash, and shall be a part of said Fund. Such lands heretofore or hereafter purchased and comprising a part of said Fund are hereby declared to be held for a governmental purpose, although the individual purchasers thereof shall __

be subject to taxation to the same extent and in the same manner as are purchasers of lands dedicated to the Permanent Free Public School Fund. _____

"The lands of the Veterans' Land Fund shall be sold by said Board in such quantities, on such terms, at such prices, at such rates of interest and under such rules and regulations as are now or may hereafter be provided by law to Texas veterans who served not less than ninety (90) continuous days, unless sooner discharged by reason of a service-connected disability, on active duty in the Army, Navy, Air Force, Coast Guard or Marine Corps of the United States between September 16, 1940, and March 31, 1955, and who upon the date of filing his or her application to purchase any such land is a citizen of the United States, is a bona fide resident of the State of Texas, and has not been dishonorably discharged from any branch of the Armed Forces above-named and who at the time of his or her enlistment, induction, commissioning, or drafting was a bona fide resident of the State of Texas. The foregoing notwithstanding, any lands in the Veterans' Land Fund which have been first offered for sale to veterans and which have not been sold may be sold or resold to such purchasers, in such quantities, and on such terms, and at such prices and rates of interest, and under such rules and regulations as are now or may hereafter be provided by law. _____

"Said Veterans' Land Fund, to the extent of the moneys attributable to any bonds hereafter issued and sold by said Board may be used by said Board, as is now or may hereafter be provided by law, for the purpose of paying the expenses of surveying, monumenting, road construction, legal fees, recordation fees, advertising and other like costs necessary or incidental to the purchase

and sale, or resale, of any lands purchased with any of the moneys attributable to such additional bonds, such expenses to be added to the price of such lands when sold, or resold, by said Board; for the purpose of paying the expenses of issuing, selling, and delivering any such additional bonds; and for the purpose of meeting the expenses of paying the interest or principal due or to become due on any such additional bonds.____

"All moneys attributable to the bonds issued and sold pursuant to the Constitutional Amendment adopted on November 6, 1956, shall be credited to said Veterans' Land Fund and may be used for the purpose of purchasing additional lands, to be sold as provided herein, until December 1, 1965; provided, however, that so much of such moneys as may be necessary to pay interest on such bonds shall be set aside for that purpose. After December 1, 1965, all moneys attributable to such bonds shall be set aside for the retirement of such bonds and to pay interest thereon; and when there are sufficient moneys to retire all of such bonds, all of such moneys then remaining or thereafter becoming a part of said Veterans' Land Fund shall be governed as elsewhere provided herein._____

"All of the moneys attributable to any series of bonds hereafter issued and sold by said Board (a 'series of bonds' being all of the bonds issued and sold in a single transaction as a single installment of bonds) may be used for the purchase of lands as herein provided, to be sold as herein provided, for a period ending eight (8) years after the date of sale of such series of bonds; provided, however, that so much of such moneys as may be necessary to pay interest on bonds hereafter issued and sold shall be set aside for that purpose in accordance with the resolution_____

adopted by said Board authorizing the issuance and sale of such series of bonds. After such eight (8) year period, all of such moneys shall be set aside for the retirement of any bonds hereafter issued and sold and to pay interest thereon, together with any expenses as provided herein, in accordance with the resolution or resolutions authorizing the issuance and sale of such additional bonds, until there are sufficient moneys to retire all of the bonds hereafter issued and sold, at which time all such moneys then remaining a part of said Veterans' Land Fund and thereafter becoming a part of said Fund shall be governed as elsewhere provided herein. _

"This Amendment being intended only to establish a basic framework and not to be a comprehensive treatment of the Veterans' Land Program, there is hereby reposed in the Legislature full power to implement and effectuate the design and objects of this Amendment, including the power to delegate such duties, responsibilities, functions, and authority to the Veterans' Land Board as it believes necessary. _____

"Should the Legislature enact any enabling laws in anticipation of this Amendment, no such law shall be void by reason of its anticipatory nature. _____

"This Amendment shall become effective upon its adoption." _

Sec. 2. The foregoing Constitutional Amendment shall be submitted to a vote of the qualified electors of this state at an election to be held on the first Tuesday after the first Monday in November, 1965, at which election all ballots shall have printed thereon the following: _____

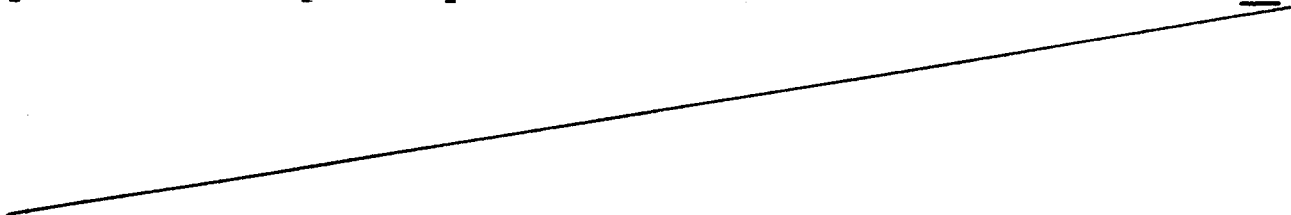
"FOR the Amendment to Section 49-b of Article III of the Constitution of Texas to increase the Veterans' Land Fund by _____

\$200,000,000.00; said Fund to be used for the purpose of purchasing land in Texas to be sold to Texas veterans who served in the Armed Services of the United States between September 16, 1940, and March 31, 1955; such funds to be expended in accordance with instructions and requirements that may be provided by law"; and _____

"AGAINST the Amendment to Section 49-b of Article III of the Constitution of Texas to increase the Veterans' Land Fund by \$200,000,000.00; said Fund to be used for the purpose of purchasing land in Texas to be sold to Texas veterans who served in the Armed Services of the United States between September 16, 1940, and March 31, 1955; such funds to be expended in accordance with instructions and requirements that may be provided by law."_____

If it appears from the returns of said election that a majority of the votes cast were in favor of same Amendment, the same shall become a part of the State Constitution and be effective from the date set forth in said Amendment, and the Governor shall issue a proclamation in keeping therewith. _____

Sec. 3. The Governor of the State of Texas shall issue the necessary proclamation for said election and shall have the same published as required by the Constitution and Laws of this state. _____



FORM A

(For favorable and unfavorable reports on bills and resolutions, where no committee amendments are recommended.)

COMMITTEE REPORT

Date 2-16-65

HON. BEN BARNES

Speaker of the House of Representatives.

Sir:

We, your Committee on Constitutional Amendments, to whom was referred HJR No. 5, have had the same under consideration

and beg to report back with recommendation that it

☒ do
☐ do not

pass, and be printed

John Allen
Chairman.

(When this form is used for a favorable report on a general bill the words "do not" are marked out. If the bill is a local bill the word "not" should be inserted before the word "printed." When used for an unfavorable report the word "do" is marked out, the comma after "pass" is changed to a period, and the remaining words also marked out.)

When this form is used for a simple or concurrent resolution the comma after "pass" should be changed to a period and the remaining words stricken out because resolutions are printed in the Journal when first introduced.)

By: Mutscher, et al

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HOUSE JOINT RESOLUTION

proposing an Amendment to Section 49-b, Article III of the Constitution of Texas so as to authorize an increase in the total amount of bonds or obligations that may be issued by the Veterans' Land Board to Four Hundred Million Dollars (\$400,000,000); providing for the issuance of said bonds or obligations and the conditions relating thereto and the use of the Veterans' Land Fund; and providing for an election and the issuance of a proclamation therefor.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Section 49-b, Article III of the Constitution of Texas, be amended so that the same will hereafter read as follows:

"Section 49-b. By virtue of prior Amendments to this Constitution, there has been created a governmental agency of the State of Texas performing governmental duties which has been designated the Veterans' Land Board. Said Board shall continue to function for the purposes specified in all of the prior Constitutional Amendments except as modified herein. Said Board shall be composed of the Commissioner of the General Land Board and two (2) citizens of the State of Texas, one (1) of whom shall be well versed in veterans' affairs and one (1) of whom shall be well versed in finances. One (1) such citizen member shall, with the advice and consent of the Senate, be appointed biennially by the Governor to serve for a term of four (4) years; but the members serving on said Board on the date of adoption hereof shall complete

the terms to which they were appointed. In the event of the resignation or death of any such citizen member, the Governor shall appoint a replacement to serve for the unexpired portion of the term to which the deceased or resigning member had been appointed. The compensation for said citizen members shall be as is now or may hereafter be fixed by the Legislature; and each shall make bond in such amount as is now or may hereafter be prescribed by the Legislature.

"The Commissioner of the General Land Office shall act as Chairman of said Board and shall be the administrator of the Veterans' Land Program under such terms and restrictions as are now or may hereafter be provided by law. In the absence or illness of said Commissioner, the Chief Clerk of the General Land Office shall be the Acting Chairman of said Board with the same duties and powers that said Commissioner would have if present.

"The Veterans' Land Board may provide for, issue and sell not to exceed Four Hundred Million Dollars (\$400,000,000) in bonds or obligations of the State of Texas for the purpose of creating a fund to be known as the Veterans' Land Fund, Two Hundred Million Dollars (\$200,000,000) of which have heretofore been issued and sold. Such bonds or obligations shall be sold for not less than par value and accrued interest; shall be issued in such forms, denominations, and upon such terms as are now or may hereafter be provided by law; shall be issued and sold at such times, at such places, and in such installments as may be determined by said Board; and shall bear a rate or rates of interest as may be fixed by said Board but the weighted average annual interest rate, as

that phrase is commonly and ordinarily used and understood in the municipal bond market, of all the bonds issued and sold in any installment of any bonds may not exceed four and one-half per cent (4 1/2%). All bonds or obligations issued and sold hereunder shall, after execution by the Board, approval by the Attorney General of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchaser or purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas; and all bonds heretofore issued and sold by said Board are hereby in all respects validated and declared to be general obligations of the State of Texas. In order to prevent default in the payment of principal or interest on any such bonds, the Legislature shall appropriate a sufficient amount to pay the same.

"In the sale of any such bonds or obligations, a preferential right of purchase shall be given to the administrators of the various Teacher Retirement Funds, the Permanent University Funds, and the Permanent School Funds.

"Said Veterans' Land Fund shall consist of any lands heretofore or hereafter purchased by said Board, until the sale price therefor, together with any interest and penalties due, have been received by said Board (although nothing herein shall be construed to prevent said Board from accepting full payment for a portion of any tract), and of the moneys attributable to any bonds heretofore or hereafter issued and sold by said Board which moneys so attributable shall include but shall not be limited to the proceeds from the issuance and sale of such bonds; the moneys received from

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the sale or resale of any lands, or rights therein, purchased with such proceeds; the moneys received from the sale or resale of any lands, or rights therein, purchased with other moneys attributable to such bonds; the interest and penalties received from the sale or resale of such lands, or rights therein; the bonuses, income, rents, royalties, and any other pecuniary benefit received by said Board from any such lands; sums received by way of indemnity or forfeiture for the failure of any bidder for the purchase of any such bonds to comply with his bid and accept and pay for such bonds or for the failure of any bidder for the purchase of any lands comprising a part of said Fund to comply with his bid and accept and pay for any such lands; and interest received from investments of any such moneys. The principal and interest on the bonds heretofore and hereafter issued by said Board shall be paid out of the moneys of said Fund in conformance with the Constitutional provisions authorizing such bonds; but the moneys of said Fund which are not immediately committed to the payment of principal and interest on such bonds, the purchase of lands as herein provided, or the payment of expenses as herein provided may be invested in bonds or obligations of the United States until such funds are needed for such purposes.

"All moneys comprising a part of said Fund and not expended for the purposes herein provided shall be a part of said Fund until there are sufficient moneys therein to retire fully all of the bonds heretofore or hereafter issued and sold by said Board, at which time all such moneys remaining in said Fund, except such portion thereof as may be necessary to retire all such bonds which

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portion shall be set aside and retained in said Fund for the purpose of retiring all such bonds, shall be deposited to the credit of the General Revenue Fund to be appropriated to such purposes as may be prescribed by law. All moneys becoming a part of said Fund thereafter shall likewise be deposited to the credit of the General Revenue Fund.

When a Division of said Fund (each Division consisting of the moneys attributable to the bonds issued and sold pursuant to a single Constitutional authorization and the lands purchased therewith) contains sufficient moneys to retire all of the bonds secured by such Division, the moneys thereof, except such portion as may be needed to retire all of the bonds secured by such Division which portion shall be set aside and remain a part of such Division for the purpose of retiring all such bonds, may be used for the purpose of paying the principal and the interest thereon, together with the expenses herein authorized, of any other bonds heretofore or hereafter issued and sold by said Board. Such use shall be a matter for the discretion and direction of said Board; but there may be no such use of any such moneys contrary to the rights of any holder of any of the bonds issued and sold by said Board or violative of any contract to which said Board is a party.

"The Veterans' Land Fund shall be used by said Board for the purpose of purchasing lands situated in the State of Texas owned by the United States or any governmental agency thereof, owned by the Texas Prison System or any other governmental agency of the State of Texas, or owned by any person, firm, or corporation.

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All lands thus purchased shall be acquired at the lowest price obtainable, to be paid for in cash, and shall be a part of said Fund. Such lands heretofore or hereafter purchased and comprising a part of said Fund are hereby declared to be held for a governmental purpose, although the individual purchasers thereof shall be subject to taxation to the same extent and in the same manner as are purchasers of lands dedicated to the Permanent Free Public School Fund.

"The lands of the Veterans' Land Fund shall be sold by said Board in such quantities, on such terms, at such prices, at such rates of interest and under such rules and regulations as are now or may hereafter be provided by law to Texas veterans who served not less than ninety (90) continuous days, unless sooner discharged by reason of a service-connected disability, on active duty in the Army, Navy, Air Force, Coast Guard or Marine Corps of the United States between September 16, 1940, and March 31, 1955, and who upon the date of filing his or her application to purchase any such land is a citizen of the United States, is a bona fide resident of the State of Texas, and has not been dishonorably discharged from any branch of the Armed Forces above-named and who at the time of his or her enlistment, induction, commissioning, or drafting was a bona fide resident of the State of Texas. The foregoing notwithstanding, any lands in the Veterans' Land Fund which have been first offered for sale to veterans and which have not been sold may be sold or resold to such purchasers, in such quantities, and

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on such terms, and at such prices and rates of interest, and under such rules and regulations as are now or may hereafter be provided by law.

"Said Veterans' Land Fund, to the extent of the moneys attributable to any bonds hereafter issued and sold by said Board may be used by said Board, as is now or may hereafter be provided by law, for the purpose of paying the expenses of surveying, monumenting, road construction, legal fees, recordation fees, advertising and other like costs necessary or incidental to the purchase and sale, or resale, of any lands purchased with any of the moneys attributable to such additional bonds, such expenses to be added to the price of such lands when sold, or resold, by said Board; for the purpose of paying the expenses of issuing, selling, and delivering any such additional bonds; and for the purpose of meeting the expenses of paying the interest or principal due or to become due on any such additional bonds.

"All moneys attributable to the bonds issued and sold pursuant to the Constitutional Amendment adopted on November 6, 1956, shall be credited to said Veterans' Land Fund and may be used for the purpose of purchasing additional lands, to be sold as provided herein, until December 1, 1965; provided, however, that so much of such moneys as may be necessary to pay interest on such bonds shall be set aside for that purpose. After December 1, 1965, all moneys attributable to such bonds shall be set aside for the retirement of such bonds and to pay interest thereon; and when

there are sufficient moneys to retire all of such bonds, all of such moneys then remaining or thereafter becoming a part of said Veterans' Land Fund shall be governed as elsewhere provided herein.

"All of the moneys attributable to any series of bonds hereafter issued and sold by said Board (a 'series of bonds' being all of the bonds issued and sold in a single transaction as a single installment of bonds) may be used for the purchase of lands as herein provided, to be sold as herein provided, for a period ending eight (8) years after the date of sale of such series of bonds; provided, however, that so much of such moneys as may be necessary to pay interest on bonds hereafter issued and sold shall be set aside for that purpose in accordance with the resolution adopted by said Board authorizing the issuance and sale of such series of bonds. After such eight (8) year period, all of such moneys shall be set aside for the retirement of any bonds hereafter issued and sold and to pay interest thereon, together with any expenses as provided herein, in accordance with the resolution or resolutions authorizing the issuance and sale of such additional bonds, until there are sufficient moneys to retire all of the bonds hereafter issued and sold, at which time all such moneys then remaining a part of said Veterans' Land Fund and thereafter becoming a part of said Fund shall be governed as elsewhere provided herein.

"This Amendment being intended only to establish a basic framework and not to be a comprehensive treatment of the Veterans' Land Program, there is hereby reposed in the Legislature full

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power to implement and effectuate the design and objects of this Amendment, including the power to delegate such duties, responsibilities, functions, and authority to the Veterans' Land Board as it believes necessary.

"Should the Legislature enact any enabling laws in anticipation of this Amendment, no such law shall be void by reason of its anticipatory nature."

"This Amendment shall become effective upon its adoption."

Sec. 2. The foregoing Constitutional Amendment shall be submitted to a vote of the qualified electors of this state at an election to be held on the first Tuesday after the first Monday in November, 1965, at which election all ballots shall have printed thereon the following:

"FOR the Amendment to Section 49-b of Article III of the Constitution of Texas to increase the Veterans' Land Fund by \$200,000,000.00; said Fund to be used for the purpose of purchasing land in Texas to be sold to Texas veterans who served in the Armed Services of the United States between September 16, 1940, and March 31, 1955; such funds to be expended in accordance with instructions and requirements that may be provided by law"; and

"AGAINST the Amendment to Section 49-b of Article III of the Constitution of Texas to increase the Veterans' Land Fund by \$200,000,000.00; said Fund to be used for the purpose of purchasing land in Texas to be sold to Texas veterans who served in the Armed Services of the United States between September 16, 1940, and March 31, 1955; such funds to be expended in accordance with instructions and requirements that may be provided by law."

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If it appears from the returns of said election that a majority of the votes cast were in favor of same Amendment, the same shall become a part of the State Constitution and be effective from the date set forth in said Amendment, and the Governor shall issue a proclamation in keeping therewith.

Sec. 3. The Governor of the State of Texas shall issue the necessary proclamation for said election and shall have the same published as required by the Constitution and Laws of this state.

Austin, Texas

Mar. 3, 1965

Hon. Preston Smith

President of the Senate

Sir:

We, your Committee on Constitutional Amendments,
HJR
to whom was referred ~~XX~~ No. 5, have had the same under
consideration, and we are instructed to report it back to the
Senate with the recommendation that it do _____
pass _____ and be _____ printed.



Chairman

ENROLLED

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proposing an Amendment to Section 49-b, Article III of the Constitution of Texas so as to authorize an increase in the total amount of bonds or obligations that may be issued by the Veterans' Land Board to Four Hundred Million Dollars (\$400,000,000); providing for the issuance of said bonds or obligations and the conditions relating thereto and the use of the Veterans' Land Fund; and providing for an election and the issuance of a proclamation therefor.

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the terms to which they were appointed. In the event of the resignation or death of any such citizen member, the Governor shall appoint a replacement to serve for the unexpired portion of the term to which the deceased or resigning member had been appointed. The compensation for said citizen members shall be as is now or may hereafter be fixed by the Legislature; and each shall make bond in such amount as is now or may hereafter be prescribed by the Legislature.

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that phrase is commonly and ordinarily used and understood in the municipal bond market, of all the bonds issued and sold in any installment of any bonds may not exceed four and one-half per cent (4 1/2%). All bonds or obligations issued and sold hereunder shall, after execution by the Board, approval by the Attorney General of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchaser or purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas; and all bonds heretofore issued and sold by said Board are hereby in all respects validated and declared to be general obligations of the State of Texas. In order to prevent default in the payment of principal or interest on any such bonds, the Legislature shall appropriate a sufficient amount to pay the same.

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the sale or resale of any lands, or rights therein, purchased with such proceeds; the moneys received from the sale or resale of any lands, or rights therein, purchased with other moneys attributable to such bonds; the interest and penalties received from the sale or resale of such lands, or rights therein; the bonuses, income, rents, royalties, and any other pecuniary benefit received by said Board from any such lands; sums received by way of indemnity or forfeiture for the failure of any bidder for the purchase of any such bonds to comply with his bid and accept and pay for such bonds or for the failure of any bidder for the purchase of any lands comprising a part of said Fund to comply with his bid and accept and pay for any such lands; and interest received from investments of any such moneys. The principal and interest on the bonds heretofore and hereafter issued by said Board shall be paid out of the moneys of said Fund in conformance with the Constitutional provisions authorizing such bonds; but the moneys of said Fund which are not immediately committed to the payment of principal and interest on such bonds, the purchase of lands as herein provided, or the payment of expenses as herein provided may be invested in bonds or obligations of the United States until such funds are needed for such purposes.

"All moneys comprising a part of said Fund and not expended for the purposes herein provided shall be a part of said Fund until there are sufficient moneys therein to retire fully all of the bonds heretofore or hereafter issued and sold by said Board, at which time all such moneys remaining in said Fund, except such portion thereof as may be necessary to retire all such bonds which

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portion shall be set aside and retained in said Fund for the purpose of retiring all such bonds, shall be deposited to the credit of the General Revenue Fund to be appropriated to such purposes as may be prescribed by law. All moneys becoming a part of said Fund thereafter shall likewise be deposited to the credit of the General Revenue Fund.

When a Division of said Fund (each Division consisting of the moneys attributable to the bonds issued and sold pursuant to a single Constitutional authorization and the lands purchased therewith) contains sufficient moneys to retire all of the bonds secured by such Division, the moneys thereof, except such portion as may be needed to retire all of the bonds secured by such Division which portion shall be set aside and remain a part of such Division for the purpose of retiring all such bonds, may be used for the purpose of paying the principal and the interest thereon, together with the expenses herein authorized, of any other bonds heretofore or hereafter issued and sold by said Board. Such use shall be a matter for the discretion and direction of said Board; but there may be no such use of any such moneys contrary to the rights of any holder of any of the bonds issued and sold by said Board or violative of any contract to which said Board is a party.

The Veterans' Land Fund shall be used by said Board for the purpose of purchasing lands situated in the State of Texas owned by the United States or any governmental agency thereof, owned by the Texas Prison System or any other governmental agency of the State of Texas, or owned by any person, firm, or corporation.

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All lands thus purchased shall be acquired at the lowest price obtainable, to be paid for in cash, and shall be a part of said Fund. Such lands heretofore or hereafter purchased and comprising a part of said Fund are hereby declared to be held for a governmental purpose, although the individual purchasers thereof shall be subject to taxation to the same extent and in the same manner as are purchasers of lands dedicated to the Permanent Free Public School Fund.

The lands of the Veterans' Land Fund shall be sold by said Board in such quantities, on such terms, at such prices, at such rates of interest and under such rules and regulations as are now or may hereafter be provided by law to Texas veterans who served not less than ninety (90) continuous days, unless sooner discharged by reason of a service-connected disability, on active duty in the Army, Navy, Air Force, Coast Guard or Marine Corps of the United States between September 16, 1940, and March 31, 1955, and who upon the date of filing his or her application to purchase any such land is a citizen of the United States, is a bona fide resident of the State of Texas, and has not been dishonorably discharged from any branch of the Armed Forces above-named and who at the time of his or her enlistment, induction, commissioning, or drafting was a bona fide resident of the State of Texas. The foregoing notwithstanding, any lands in the Veterans' Land Fund which have been first offered for sale to veterans and which have not been sold may be sold or resold to such purchasers, in such quantities, and

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on such terms, and at such prices and rates of interest, and under such rules and regulations as are now or may hereafter be provided by law.

Said Veterans' Land Fund, to the extent of the moneys attributable to any bonds hereafter issued and sold by said Board may be used by said Board, as is now or may hereafter be provided by law, for the purpose of paying the expenses of surveying, monumenting, road construction, legal fees, recordation fees, advertising and other like costs necessary or incidental to the purchase and sale, or resale, of any lands purchased with any of the moneys attributable to such additional bonds, such expenses to be added to the price of such lands when sold, or resold, by said Board; for the purpose of paying the expenses of issuing, selling, and delivering any such additional bonds; and for the purpose of meeting the expenses of paying the interest or principal due or to become due on any such additional bonds.

All moneys attributable to the bonds issued and sold pursuant to the Constitutional Amendment adopted on November 6, 1956, shall be credited to said Veterans' Land Fund and may be used for the purpose of purchasing additional lands, to be sold as provided herein, until December 1, 1965; provided, however, that so much of such moneys as may be necessary to pay interest on such bonds shall be set aside for that purpose. After December 1, 1965, all moneys attributable to such bonds shall be set aside for the retirement of such bonds and to pay interest thereon; and when

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there are sufficient moneys to retire all of such bonds, all of such moneys then remaining or thereafter becoming a part of said Veterans' Land Fund shall be governed as elsewhere provided herein.

"All of the moneys attributable to any series of bonds hereafter issued and sold by said Board (a 'series of bonds' being all of the bonds issued and sold in a single transaction as a single installment of bonds) may be used for the purchase of lands as herein provided, to be sold as herein provided, for a period ending eight (8) years after the date of sale of such series of bonds; provided, however, that so much of such moneys as may be necessary to pay interest on bonds hereafter issued and sold shall be set aside for that purpose in accordance with the resolution adopted by said Board authorizing the issuance and sale of such series of bonds. After such eight (8) year period, all of such moneys shall be set aside for the retirement of any bonds hereafter issued and sold and to pay interest thereon, together with any expenses as provided herein, in accordance with the resolution or resolutions authorizing the issuance and sale of such additional bonds, until there are sufficient moneys to retire all of the bonds hereafter issued and sold, at which time all such moneys then remaining a part of said Veterans' Land Fund and thereafter becoming a part of said Fund shall be governed as elsewhere provided herein.

"This Amendment being intended only to establish a basic framework and not to be a comprehensive treatment of the Veterans' Land Program, there is hereby reposed in the Legislature full

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power to implement and effectuate the design and objects of this Amendment, including the power to delegate such duties, responsibilities, functions, and authority to the Veterans' Land Board as it believes necessary.

Should the Legislature enact any enabling laws in anticipation of this Amendment, no such law shall be void by reason of its anticipatory nature.

This Amendment shall become effective upon its adoption."

Sec. 2. The foregoing Constitutional Amendment shall be submitted to a vote of the qualified electors of this state at an election to be held on the first Tuesday after the first Monday in November, 1965, at which election all ballots shall have printed thereon the following:

"FOR the Amendment to Section 49-b of Article III of the Constitution of Texas to increase the Veterans' Land Fund by \$200,000,000.00; said Fund to be used for the purpose of purchasing land in Texas to be sold to Texas veterans who served in the Armed Services of the United States between September 16, 1940, and March 31, 1955; such funds to be expended in accordance with instructions and requirements that may be provided by law"; and

"AGAINST the Amendment to Section 49-b of Article III of the Constitution of Texas to increase the Veterans' Land Fund by \$200,000,000.00; said Fund to be used for the purpose of purchasing land in Texas to be sold to Texas veterans who served in the Armed Services of the United States between September 16, 1940, and March 31, 1955; such funds to be expended in accordance with instructions and requirements that may be provided by law."

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If it appears from the returns of said election that a majority of the votes cast were in favor of same Amendment, the same shall become a part of the State Constitution and be effective from the date set forth in said Amendment, and the Governor shall issue a proclamation in keeping therewith.

Sec. 3. The Governor of the State of Texas shall issue the necessary proclamation for said election and shall have the same published as required by the Constitution and Laws of this state.

Lieutenant Governor
President of the Senate

Speaker of the House

I hereby certify that H. J. R. No. 5 was adopted by the House on February 23, 1965, by the following vote: Yeas 135, Nays 1.

Chief Clerk of the House

I hereby certify that H. J. R. No. 5 was passed by the Senate on March 4, 1965, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

APPROVED: 2-16-65

Date

W. Lee Harvey
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
8:30am O'CLOCK

MAR 17 1965

Charles G. Martin
Secretary of State

H.J.R.No. 5

BY: MUTCHER

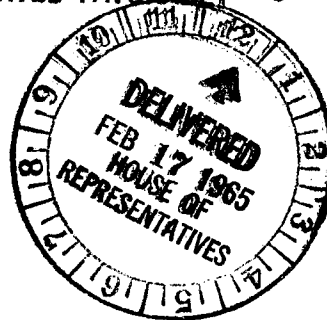
A JOINT RESOLUTION

Proposing an amendment to Section 49-b, Article III of the Constitution of Texas so as to authorize an increase in the total amount of bonds or obligations that may be issued by the Veterans' Land Board to \$400,000,000.00; providing for the issuance of said bonds or obligations and the conditions relating thereto and the use of the Veterans' Land Fund; and providing for an election and the issuance of a proclamation therefor.

FILED

FEB 1 1965 JAN 28 1965
READ 1ST TIME
AND REFERRED TO COMMITTEE ON
Constitutional Amendments

FEB 16 1965 REPORTED FAVORABLY SENT TO PRINTER



FEB 17 1965 A.M. RETURNED FROM PRINTER. SENT TO SPEAKER

FEB 23 1965

READ SECOND

TIME _____ AND

ORDERED _____ ENGROSSED, and

*finally adopted by vote
135 yeas, 1 noes.*

Dorothy Hallman

Chief Clerk, House of Representatives

FEB 23 1965 SENT TO ENGROSSING CLERK

ENROLLED
3-8-65
Enrolling Clerk

By: Mutscher, et al

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HOUSE JOINT RESOLUTION

proposing an Amendment to Section 49-b, Article III of the Constitution of Texas so as to authorize an increase in the total amount of bonds or obligations that may be issued by the Veterans' Land Board to Four Hundred Million Dollars (\$400,000,000); providing for the issuance of said bonds or obligations and the conditions relating thereto and the use of the Veterans' Land Fund; and providing for an election and the issuance of a proclamation therefor.

- 1-28-65 Filed.
2- 1-65 Read first time and referred to Committee on Constitutional Amendments.
2-16-65 Reported favorably, sent to printer.
2-17-65 Returned from printer, sent to Speaker.
2-23-65 Read second time and ordered engrossed and adopted by the following vote: Yeas 135, Nays 1.

Dorothy Hallman
Chief Clerk, H. of R.

- 2-23-65 Sent to Engrossing Clerk.
2-23-65 Engrossed.

Arad Suppitt
Engrossing Clerk, H. of R.

MAR 4 1965

Regular order of business and Senate Rule 116 and Sec. 5, Art. III of the Constitution suspended by vote of 30 yeas, 0 nays, to permit consideration.

FEB 24 1965

FEB 24 1965

RETURNED FROM ENGROSSING
SENT TO THE SENATE

MAR 4 1965

READ SECOND TIME,
AND PASSED TO THIRD READING.

FEB 24 1965

IN THE SENATE

Received from
the House.

MAR 4 1965

Senate Rule 32 and Constitutional Rule (Sec. 32, Art. III) suspended by a vote of 30 yeas, 0 nays, to place bill on third reading and final passage.

FEB 25 1965

Read first time
and referred to Committee
on Constitutional Amendments

MAR 4 1965

READ THIRD TIME AND PASSED
BY THE FOLLOWING VOTE:

Yeas 30 Nays 0

Charles Schnabel
Secretary of the Senate

MAR 3 1965

Reported Favorably.

MAR 8 1965 SENT TO HOUSE

MAR 8 1965
RETURNED FROM SENATE

MAR 8 1965 SENT TO ENROLLING CLERK

Dorothy Hallman
Chief Clerk, House of Representatives